Washington, D.C. -- Congressman Maurice Hinchey (D-NY), Congressman Peter DeFazio (D-OR) and Congressman Peter Welch (D-VT) today introduced The End Excessive Oil Speculation Now Act to compel federal commodity regulators to halt excessive oil speculation that has driven up gasoline prices. A companion bill has already been introduced in the U.S. Senate by Senator Bernie Sanders of Vermont.

"Even Wall Street insiders and representatives from Big Oil are quick to admit that speculation is driving up prices," said Hinchey. "This legislation would immediately implement new rules to ensure the price of fuel is based on supply and demand - not the whims of greedy speculators. Last year, we gave federal regulators the authority to stop rampant speculation, but so far they have failed to act. This new bill would require immediate action. Middle class families and small businesses who are paying the price for rampant speculation simply cannot afford to wait any longer."

"I have been fighting for years to reign in excessive, unnecessary Wall Street speculation that is driving up the price of oil and other commodities," DeFazio said. "This legislation is crucial to cracking down on rampant speculation, restoring sanity to commodity markets, and providing relief to American consumers at the pump. "

"Speculation is driving up gas prices, causing hardship for Vermonters and threatening the economic recovery," said Welch. "With consumers paying a speculative premium of 60 to 70 cents a gallon, we need to shut down casino-style gambling in the markets."

Even energy experts from Exxon Mobil, Delta Airlines and Goldman Sachs have recently indicated that excessive speculation is responsible for 20 to 40 percent of the price of a barrel of crude oil. Gas prices nationwide are hovering at $4 per gallon, even though supply is greater and demand lower than two years ago when prices averaged about $2.44 a gallon nationwide.

A provision in last year's Wall Street reform law required federal regulators to clamp down on speculators, but the Commodity Futures Trading Commission (CFTC), which is charged with implementing the regulations, has not yet done so. New limits on speculators were required to be in place by January 17. Now, five months after the deadline, the commission still has failed to act and the American people are paying the price. Gasoline prices have gone up by about 60 cents a gallon since January.

The End Excessive Oil Speculation Now Act would force the chairman of the commission to establish strong position limits to eliminate excessive oil speculation. It also would impose margin requirements so investors would have to back their bets with real capital. In addition, bank holding companies, investment banks or hedge funds that engage in proprietary oil trading would be classified as speculators. The commission's chairman would be given broad power to take any other actions needed to ensure that the price of crude oil, gasoline, diesel fuel, jet fuel and heating oil accurately reflects the fundamentals of supply and demand.